

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

COBALT INVESTMENT MANAGEMENT,
LLC,

Plaintiff,

v.

FEDERAL INSURANCE COMPANY and
CONTINENTAL CASUALTY COMPANY,

Defendants.

Civil Action No. 24-1074-GBW

MEMORANDUM ORDER

At Wilmington this 16th day of April, 2025, upon consideration of the Motion to Transfer Venue to the Central District of California filed by Defendants Federal Insurance Company and Continental Casualty Company (D.I. 25), Defendants’ Opening Brief in Support of Joint Motion to Transfer Venue to the Central District of California (D.I. 26), Plaintiff Cobalt Investment Management, LLC’s Memorandum in Opposition to Defendants’ Motion to Transfer Venue (D.I. 32), Defendants’ Reply Brief (D.I. 37), and the Declarations of various individuals filed either in support of or in opposition to parties’ respective briefing (D.I. 27, D.I. 28, D.I. 29, D.I. 33), **IT IS HEREBY ORDERED** that the Motion to Transfer Venue to the Central District of California (D.I. 25) is **DENIED**.

Under well-settled Third Circuit law, “courts normally defer to a plaintiff’s choice of forum.” *Jumara v. State Farm Ins. Co.*, 55 F.3d 873, 880 (3d Cir. 1995). The Third Circuit has emphasized that “the plaintiff’s choice of venue should not be lightly disturbed.” *Id.* at 879. Thus, “a transfer is not to be liberally granted.” *Shutte v. Armco Steel Corp.*, 431 F.2d 22, 25 (3d Cir. 1970) (internal quotation marks omitted).

Defendants have not met their heavy burden of showing that the factors underlying a transfer pursuant to 28 U.S.C. § 1404(a) weigh in favor of transfer. Plaintiff is a Delaware limited liability company and its choice of forum is given paramount consideration. Moreover, Delaware has a strong interest in the action. Delaware courts have repeatedly held that “Delaware takes a superseding interest in the merits of disputes involving insurance coverage for fiduciary mismanagement of Delaware organizations.” *Sycamore Partners Mgmt., L.P. v. Endurance Am. Ins. Co.*, 2021 WL 761639, at *8 (Del. Super. Ct. Feb. 26, 2021) (emphasis added); *accord Stillwater Mining Co. v. Nat’l Union Fire Ins. Co. of Pittsburgh, Pa.*, 289 A.3d 1274, 1284-85 (Del. 2023) (“Delaware has strong interests at stake for D&O policies issued to Delaware corporations.”). Defendants have not shown that any of the other *Jumara* factors warrant transfer of this action. *See* D.I. 26, D.I. 32 and D.I. 37.

For these reasons, the Motion to Transfer Venue to the Central District of California (D.I. 25) is DENIED.



The Honorable Gregory B. Williams
United States District Judge